

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 05/24/2012

POSITION: Oppose

SPONSOR: Orange County Employees Association

BILL NUMBER: AB 2069

AUTHOR: Solorio, Jose

BILL SUMMARY: Workers' Compensation: Peace Officer Benefits

This bill would extend the Cal Grant and health benefits currently offered to dependents of peace officers employed by a county, city, or district who have been killed or totally disabled in the line of duty to dependents of Sherriff's Special Officers (SSOs) employed in Orange County. Thus, this bill would increase the number of students currently eligible for Law Enforcement Personnel Dependents (LEPD) Grant Program scholarships administered by the California Student Aid Commission (Commission).

FISCAL SUMMARY

The number of students that would become eligible for LEPD scholarships as a result of this bill is unknown, but would likely be minor. Under the current LEPD Grant Program, eight students are expected to receive scholarships totaling \$75,000 General Fund in 2012-13. Based on these expected program costs, it is estimated that each additional scholarship would increase General Fund expenditures by approximately \$9,375. If two additional students, representing a 25 percent increase in program participation, were to become scholarship-eligible as a result of this bill General Fund expenditures of \$18,750 would be created.

Additional health benefit costs provided as a result of this bill would be borne by local counties, cities, or districts.

COMMENTS

The Department of Finance is opposed to this bill for the following reasons:

- This bill would usurp the authority of Orange County to determine the benefits that should be granted to SSOs employed locally. Nothing in current law prevents Orange County from granting SSOs peace officer status, thereby providing scholarship and death benefits to their dependents as deemed appropriate, thus, this issue would be better handled at the local level.
- This bill could create additional General Fund costs by expanding state-administered financial aid programs at a time when other core programs are being reduced or eliminated. The 2012 Budget includes \$72.6 million of General Fund savings by restricting participation and award amounts in the Cal Grant Program. This bill conflicts with the eligibility containment measures included in the budget by expanding financial aid eligibility in California.

The LEPD Grant Program, administered by the Commission, provides need-based scholarships to dependents and spouses of California peace officers (Highway Patrol, marshals, sheriffs, police officers), Department of Corrections and California Youth Authority employees, and firefighters employed by public entities who have been killed or totally disabled in the line of duty. Scholarship awards match the amount of a Cal Grant award which currently provides \$12,192 at the University of California or \$5,472 at California State University, up to \$9,223 at a private, for-profit or non-profit institution, and up to \$2,462 at a technical school.

Analyst/Principal (0320) E. Wynne	Date	Program Budget Manager Nicolas Schweizer	Date
Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS--(CONTINUED)**Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

Solorio, Jose

05/24/2012

AB 2069

COMMENTS (continued)

Under existing law, employers of firefighters or peace officers that are killed or totally disabled in the line of duty continue providing health benefits to deceased employee spouses under the same terms provided prior to death or disability. Additionally, minor dependents continue to receive health benefits until they are 21 years of age. SSO's are officers with limited police powers and provide security within Orange County at John Wayne Airport, county courthouses and county buildings. While they undergo four months of academy training, SSOs are not sworn into peace officer status. According to the author's office, while SSOs employed in Orange County perform similar duties to those of other peace officers, they are not eligible for the same scholarship and health benefits and this bill would address that inequity.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP					Fund		
	RV	98	FC	2012-2013	FC	2013-2014	FC	2014-2015	Code
7980/Student Aid	LA	No	A	0-9	A	0-19	A	0-19	0001